



INTERVIEW BY CHRISTY MACY

The Starbucks Foundation recently announced a shift in its giving priorities to increase support for young social entrepreneurs who are creating meaningful change in their communities. As part of this new focus, the company established the Starbucks Innovation Fund in partnership with the International Youth Foundation.

Beginning in October 2008, the Innovation Fund will provide grants of up to US\$15,000 to as many as 25 youth-led projects identified through IYF's Global YouthActionNet® program. (See box at the end of article.)

YOUth magazine spoke with Lauren Moore, Director of Giving at Starbucks Coffee Company, to explore the Foundation's decision to support young leaders and its ultimate goals. She also offers advice for other companies that are rethinking their corporate giving approach.

You recently completed a year-long examination of Starbucks' CSR giving program. What led you to re-evaluate the direction of the Foundation's grant making?

The larger you get, the more you realize the potential impact you can have. For years, the Starbucks Foundation and Starbucks Coffee Company have been

engaged in a wide range of wonderful community, grassroots projects—supported by our local partners and business managers. But everyone was doing their own thing. So as we grew, we began to take a fresh look at our work in these communities. And we recognized that, if we wanted to make a real difference, the Foundation, the Company and our communities would benefit from a more consistent focus. We spent time identifying what focus would be most appropriate for Starbucks.

Who was involved in the process? How did it work?

We decided from the beginning to take a multi-stakeholder approach that would engage our employees, the communities in and around Starbucks stores, youth-serving organizations and professional consultants. First and foremost, we wanted to hear from our employees—whom we call our

partners. Any change had to reflect their interests, their needs and their passions. The people who are attracted to work in our coffeehouses have community activism in their blood. That's our workforce, and it's different from many other corporations.

Also, conversations about community issues take place among customers in our stores every day. These people want to help and get involved. So an important part of our re-evaluation process was to really understand what our managers and employees wanted to do. We also looked for observations and suggestions from outside communications consultants. They brought in a lot of research data and helped us clarify what we hoped to accomplish.

As we focused in on youth, we looked to NGO stakeholders, some of whom we'd worked with in the past, to help us think through this new focus, how



to have a real impact, how to evaluate our work, how to monitor our progress. And of course, many of our company executives and others here at Starbucks were very involved. We had a lot of in-house experts in the field of community work, including our CEO Howard Schultz, who were passionate about what happens in our communities. Like many of my colleagues, I had a strong nonprofit background, having worked for NGOs for 15 years before coming to Starbucks. Many of us brought that valuable perspective to the process.

Why did the Foundation move away from its original focus on literacy and younger children?

As we began to re-examine our giving strategy, we realized we could likely make our greatest impact by supporting older youth in the community. Many of our employees are between 17 and 25, and many who already volunteer in their communities work with this older age group. Also, while promoting literacy was important in many countries, it was not a burning issue in all of the markets where we work. We wanted to choose an issue that resonated in every community where Starbucks operates around the world.

Your partnership with IYF supports the work of young social entrepreneurs. What attracted Starbucks to support youth leadership?

As we began talking about our unique niche as a company, we decided we wanted to expand our grant making program to embrace community voices and capture the entrepreneurial spirit of our employees. Many of our partners volunteer on a regular basis. In fact, we recently launched an online social networking site (v2v.net) to help connect people to volunteer opportunities in their local communities. We hope to inspire local support for such activities and bring like-minded people together to help create change.

At the same time, we were truly inspired by stories of young people accomplishing big things in their communities and around the world. These youth inspired us with their innovative ideas and their willingness to take on things themselves.

So we began to work with youth groups and youth development organizations like IYF to help us think this through. We recognized these young leaders were already catalysts for change. What they needed were resources and



tools to continue and expand their work, either locally or globally.

What advice would you give other corporations that are reconsidering their giving policies or thinking of focusing on young people?

When you start this process, one of the most important things for any company to do is to find your niche. Besides money, what else can you bring to the table that can help change the world and motivate people? Take Microsoft, my neighbors here in Seattle. Their CSR programs emphasize bringing technology to young people around the world. People can understand why they do that. Starbucks can only be a powerful force when we really understand who we are as a company. Then, it's natural to leverage other resources because you've chosen a direction and a cause that everyone understands is related to what you're good at doing.

For us, this process took a while. We had to realize, at the end of the day, we're a neighborhood coffee house—our product is a good cup of coffee. When we look at the dollars we in-

vest and what we try to do, we're not basing that on producing quality software or building a major airline. We invest in communities and listen to those in the field about what our priorities should be. Our people recognized the great connection they had with young people who are al-

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ready out there doing great things. So we then focused on how we could support these amazing youth leaders and help amplify their positive voices. We want people to want to participate, to own the idea and make it better. Ultimately, I think the future of corporate giving will be to strategically invest in communities, in line with what your business can uniquely bring to bear.

What do you hope people will be saying about Starbucks five or ten years from now regarding this new strategy?

Today, when a lot of people think about youth, they put a negative spin

on things—they think of gangs, or kids in trouble or kids facing big challenges. From our perspective, we think of youth as the future. They are addressing grassroots issues, they are finding their voices, they have a much more global view of the world than we ever had growing up, and they un-

derstand their place in the world. So I hope that in the years ahead, when people think about Starbucks, they will think about how we're supporting what young people are doing in their communities. But more importantly, we want to change how people think about youth, as extraordinary individuals who are having such a positive impact on society. **Y**

Christy Macy is Director of Publications at the International Youth Foundation.

For more information on the Starbucks Foundation and its support of young social entrepreneurs, please visit their website: www.starbucks.com/aboutus/foundation.asp



YouthActionNet®

YouthActionNet® is an IYF initiative that is working to develop a new generation of socially conscious citizens who create positive change in their communities, their countries, and the world.

YouthActionNet® supports young leaders in the following ways:

Global Institute: Twenty outstanding young social entrepreneurs are selected annually for the YouthActionNet® Global Fellowship, a yearlong program that provides capacity-building and leadership skills training as well as opportunities for networking, global advocacy, and grants.

Local Institutes: Established within individual countries, local YouthActionNet® Institutes select youth leaders to participate in an intensive national-level training program. Institutes have been launched in Brazil, Mexico, and Spain, with plans to open others in Chile, Haiti, Israel, and Australia.

Virtual Institute: Provides young leaders globally with a state-of-the-art virtual platform through which to strengthen their knowledge, build skills, network and advocate for their causes.

Donors: Levi Lassen Foundation, MacArthur Foundation, Nokia, Pearson, Porter Novelli, Starbucks Foundation, Sylvan/Laureate Foundation and U.S. Agency for International Development (USAID).

To learn more, go to www.youthactionnet.org